

Threshold Checklist

Yes/ No		Completed/ Amount	Page/ Tab
	1. Development satisfies all requirements of Section 42		
	2. Allocation does not exceed amount necessary for feasibility throughout compliance period		
	<ul style="list-style-type: none"> Sources and Uses Match 		
	<ul style="list-style-type: none"> Costs other than for Intermediaries is reasonable 		
	<ul style="list-style-type: none"> Reasonable operational expenses 		
	3. Highest locally elected official notified of development		
	4. Qualified Not-for-Profit		
	<ul style="list-style-type: none"> Exempt purpose includes fostering low-income housing 		
	<ul style="list-style-type: none"> NFP owns an interest in development 		
	<ul style="list-style-type: none"> NFP materially participates 		
	<ul style="list-style-type: none"> NFP complies with all other sections of Code considered 		
	<ul style="list-style-type: none"> No part of NFP earnings inure to the benefit of member, founder, contributor, or individual 		
	<ul style="list-style-type: none"> NFP in existence for one year at a minimum 		
	<ul style="list-style-type: none"> Articles of Incorporation submitted 		
	<ul style="list-style-type: none"> IRS Letter awarding 501 status submitted 		
	<ul style="list-style-type: none"> NFP Questionnaire submitted 		
	<ul style="list-style-type: none"> Partnership or Operating Agreement submitted 		
	5. Joint Venture (For-profit and Not-for-Profit)		
	<ul style="list-style-type: none"> NFP receives 51% of benefits 		
	<ul style="list-style-type: none"> NFP maintains 51% of the voting and management control of the joint venture 		
	6. Public and private facilities are or will be accessible prior to completion		
	7. Costs expended to date are less than 50% of total development costs		
	8. Sponsor, developer, management agent other development team members demonstrate financial, developmental, and managerial capabilities to complete and maintain property through compliance period		
	9. Written affidavits included from each team member		
	10. Evidence of site control		
	11. Schematics, survey, site plan, and floor plan of development submitted		
	12. Indication of ability to obtain financing		
	13. Location is suitable for the development (letters submitted from developer (s), engineer(s), architects (s), market analyst (s), lender and/or equity provider).		
	14. Public and private facilities are or will be accessible prior to completion		
	15. Photographs of the site and existing structures submitted		
	16. Letter from zoning authority (without need for subsequent variance) stating site properly zoned		
	17. Access to water, sewer, gas, and/or electric utilities available to site at time of application with sufficient capacity. (Letters submitted)		
	18. Lender letter of interest submitted :		
	<ul style="list-style-type: none"> lender has reviewed the same application submitted or to be submit 		



	<p>by the Applicant to the Authority to which such letter of interest relates;</p> <ul style="list-style-type: none"> • lender expressly acknowledges that the Development will be subject specifically to the “40-60” or “20-50” set-aside, and extended restriction elections made by the Applicant • such lender has reviewed the Minimum Underwriting Criteria set forth in this Allocation Plan; and • any other special use restriction elections made by the Applicant, which give rise to additional points in this Allocation Plan. 		
	<p>19. Equity letter of interest submitted:</p> <ul style="list-style-type: none"> • such investor has reviewed the same application submitted or to be submitted by the Applicant to the Authority in support of the Rental Housing Financing for the Development to which such letter of interest relates • such investor expressly acknowledges that the Development will be subject specifically to the “40-60” or “20-50” set-aside, and extended use restriction elections made by the Applicant • such investor has reviewed the Minimum Underwriting Criteria set forth in this Allocation Plan • any other special use restriction elections made by the Applicant, which give rise to additional points in this Allocation Plan 		
	<p>20. The characteristics of the site (e.g. size, topography, terrain, soil and sub-soil conditions, environmental, vegetation and drainage conditions) are suitable for the construction, rehabilitation and operation of the proposed Development. No buildings comprising the development are or will be located in the 100-year flood plain or on a site with unresolved wetlands problems, or contains hazardous substances.</p>		
	<p>21. Costs expended to date are less than 50% of the total eligible development costs</p>		
	<p>22. Minimum Underwriting Requirements</p>		
	<ul style="list-style-type: none"> • Operating Expenses - \$2,700-3,000/unit or 35% of Gross Income whichever is greater 		
	<ul style="list-style-type: none"> • Management Fee (including tax credit compliance fee) 5-7% of “effective gross income” (gross income for all units less Vacancy Rate) <ul style="list-style-type: none"> 1-50 units 7%, 51-100 units 6%, and 100+ units 5% 		
	<ul style="list-style-type: none"> • Vacancy Rate – 5 - 7% 		
	<ul style="list-style-type: none"> • Rental Income Growth – 1-2%/year 		
	<ul style="list-style-type: none"> • Operating Reserves - four (4) months of operating expenses plus debt service 		
	<ul style="list-style-type: none"> • Replacement Reserves - \$250-300 per unit 		
	<ul style="list-style-type: none"> • Operating Expense Growth – 2 - 3%/year 		
	<ul style="list-style-type: none"> • Stabilized debt coverage ratio minimum of 1.15, maximum of 1.35 		
	<p>23. Pre-1978 Developments (i.e. buildings) proof of compliance with the Lead Based Paint Pre-Renovation Rule</p>		
	<p>25. Sufficient demand</p>		
	<p>26. Market study included</p>		



	27. Appraisal submitted		
	28. All applicable conditions and requirements of State and local laws, statutes, regulations, ordinances and other proper authorities in the State, including, without limitation, the requirements specified in the Application, the Indiana Handicapped Accessibility Code as amended, and such additional items which may be required by the Authority (collectively "State Laws"), shall be satisfied.		
	29. Request does not exceed \$750,000 (excludes development financed with tax exempt bonds)? Developer has not received more than \$1,500,000 per year (excludes tax exempt bonds)		
	30. Developer fee, including consulting fee, is within guidelines		
	31. Capital Needs assessment for Acq/Rehab development submitted		
	32. Bond Volume- 50% or more financed with tax-exempt obligation		
	33. Notice of intent to apply for financing submitted		
	34. Affirmative Fair Housing Marketing Plan submitted *if applicable		
	35. Applicant, Principals, affiliates and/or Development Team members with any ownership interest in a low income housing development have complied with the procedures and requirements of the Authority, or any of its programs or any other governmental program including but not limited to HUD and/or HUD funded programs.		
	36. Developments proposing commercial areas within the building or on the property utilizing Rental Housing Financing will be given consideration. Application includes the following additional information and documentation: <ul style="list-style-type: none"> • Detailed, square footage layout of the building and/or property identifying all residential and commercial area • Time-line for complete construction showing that all commercial areas will be complete prior to the residential areas being occupied. • Construction must be in strict compliance with plans and specifications that have been previously approved by the Authority and which strictly follow the initial layout. • All commercial uses must be included in the Declaration of Extended Rental Housing Commitment ("DERHC") 		
	37. The Development team satisfactorily demonstrates that all previous findings and assessments against all Applicants and its principal participants and affiliates have been satisfied.		



ACKNOWLEDGMENT OF OWNER

OWNER

Signature: _____

Printed Name: _____

Title (if applicable): _____

STATE OF INDIANA)
) SS:
COUNTY OF _____)

Before me, a Notary Public in and for said County and State, personally appeared _____, [the _____ of _____ ("Owner")], and, being duly sworn, acknowledged the execution of the foregoing agreement was his (her) voluntary act and deed [on behalf of Owner], and stated that any representations contained therein were true and correct.

Witness my hand and Notarial Seal this _____ day of _____, 2001.

County of Residence:

Notary Public

Commission Expires:

Printed Name

